	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING										AMEND	FOF ED REPOR	RM 3	
APPLICATION FOR PERMIT TO DRILL								1. WELL NAME and NU	JMBER OHONADL	.A 1-Delta				
2. TYPE C	F WORK	DRILL NEW WEL	L (📵 REE	NTER P&	A WELL DEEPEN	I WELL)			3. FIELD OR WILDCAT TOHONADLA				
4. TYPE C	F WELL		Oil Well		d Methane Well: NO					5. UNIT or COMMUNI	FIZATION	AGREEME	NT NAM	E
6. NAME	OF OPERATOR	1			OIL & GAS CO					7. OPERATOR PHONE	303 534	-8300		
8. ADDRE	SS OF OPERA	TOR			w Rock, AZ, 86515					9. OPERATOR E-MAIL			n	
	RAL LEASE NU L, INDIAN, OR		1.0. Box 440	oo, wiiido	11. MINERAL OWNERS	-		<u> </u>		12. SURFACE OWNER	SHIP			
		1420603270 E OWNER (if box 1	2 = 'fee')		FEDERAL INI	DIAN 📵) STATE () FEE(<u> </u>	14. SURFACE OWNER	DIAN 📵	STATE		E()
15. ADDR	ESS OF SURF	ACE OWNER (if be	ox 12 = 'fee')							16. SURFACE OWNER	R E-MAIL ((if box 12	= 'fee')	
47 INDIA	N ALL OTTES	D TRIDE NAME			18. INTEND TO COMM	/INGLE I	PRODUCTION	N FROM		19. SLANT				
	2 = 'INDIAN')	NAVAJO NATION			MULTIPLE FORMATIO YES (Submit C		gling Applicati	ion) NO		VERTICAL (iii) DIF	RECTIONAL	- — н	ORIZONT	AL 🔵
20. LOC	ATION OF WEL	L		FO	OTAGES	Q1	TR-QTR	SEC	TION	TOWNSHIP	RA	NGE	МЕ	RIDIAN
LOCATION	ON AT SURFAC	E		1213 FN	NL 238 FWL	١	NWNW	1		42.0 S	21.	0 E		S
Top of U	Jppermost Pro	ducing Zone		1213 FN	NL 238 FWL	١	NWNW	1		42.0 S	21.	0 E		S
At Total	Depth			1213 FN	NL 238 FWL	<u> </u>	NWNW	1		42.0 S	21.	0 E		S
21. COU	NTY	SAN JUAN			22. DISTANCE TO NEA	12	213			23. NUMBER OF ACRES IN DRILLING UNIT 320				
					25. DISTANCE TO NEA (Applied For Drilling	or Com		POOL		26. PROPOSED DEPTI		TVD: 6850)	
27. ELEV	ATION - GROU	ND LEVEL 4675			28. BOND NUMBER	OND NUMBER RLB0006712			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 09-135				-E	
					Hole, Casing	, and C	Cement Info	ormation						
String	Hole Size	Casing Size	Length	Weigh	nt Grade & Threa	ad N	Max Mud W	t.		Cement		Sacks	Yield	Weight
Cond	20	16	0 - 60	0.0	Unknown		0.0			Unknown		0	0.0	0.0
Surf	12.25	8.625	0 - 1400	24.0) J-55 ST&C		0.0	- F	Halliburt	iburton Light , Type Unknown			1.95	12.4
Prod	7.785	5.5	0 - 6850	17.0) J-55 LT&C	-	10.0	-	Halliburt	Unknown Halliburton Light , Type Unknown			1.19	15.6 12.4
									Premium Lite High Strength 305 1.26				15.2	
					А	ATTACH	HMENTS							
	VE	RIFY THE FOLL	OWING ARE	ATTAC	HED IN ACCORDAN	NCE WI	TH THE UT	AH OIL AI	ND GAS	CONSERVATION G	ENERAL	RULES		
I ✓ w	/ELL PLAT OR I	MAP PREPARED B	Y LICENSED S	URVEYOR	R OR ENGINEER		✓ COM	IPLETE DR	ILLING P	_AN				
AF	FIDAVIT OF ST	TATUS OF SURFAC	E OWNER AG	REEMEN	T (IF FEE SURFACE)		FORM	M 5. IF OPE	RATOR I	S OTHER THAN THE LE	EASE OWN	IER		
DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)						OGRAPHIC	AL MAP							
NAME L	auren Germina	rio			TITLE Land Man	ager			PHONE	303 534-8300				
SIGNATI	JRE				DATE 09/05/20	12			EMAIL	Igerminario@nnogc.co	m			
	iber assigne 03750033				APPROVAL				Pe	rmit Manager				

PAGE 1

Drilling Program

1. FORMATION TOPS

The estimated tops of important geologic markers are:

Formation	GL Depth	KB Depth	Elevation
Carmel Sandstone	0'	10'	+4,675'
Navajo Sandstone	195'	205'	+4,480'
Kayenta Sandstone	555'	565'	+4,120'
Wingate Sandstone	605'	615'	+4,070'
Chinle Shale	1,100'	1,110'	+3,575'
Shinarump Sandstone	1,660'	1,670'	+3,015'
Moenkopi Sand & Mud Stones	1,940'	1,950'	+2,735'
DeChelly Ss/Mdst/Shale	2,120'	2,130'	+2,555'
Organ Rock Shale/Sltst/Ss	2,300'	2,310'	+2,375'
Lower Cutler Slts/Ss/Shale	3,007	3,017'	+1,668'
Honaker Trail Ls/Sltst/Shale	4,066'	4,076'	+609"
Paradox Ls/Sltst/Marls/Shale	4,625'	4,635'	+50'
Ismay Ls/Dolo/Marls/Shale	4,911'	4,921'	-236'
Lower Ismay Ls/Dolo/Marls/Shale	5,000'	5,010'	-325'
Desert Creek Ls/Dolo/Marls/Shale	5,282'	5,292'	-607'
Barker Creek Ls/Dolo/Anhy/Shale	5,442'	5,452'	-767'
Pinkerton Trail Ls/Dolo/Anhy/Shale	5,623'	5,633'	-948'
Molas Mudst/Slt/Ls/Shale	5,840'	5,850'	-1,165'
Leadville Limestone/Dolomite	6,015'	6,025'	-1,340'
Total Depth (TD)	6,850'	6,865'	-2,175'

2. NOTABLE ZONES

Desert Creek and Ismay oil production is the primary goal. Upper Leadville oil



PAGE 2

NNOGC Exploration and Production LLC Tohonadla 1-Delta 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

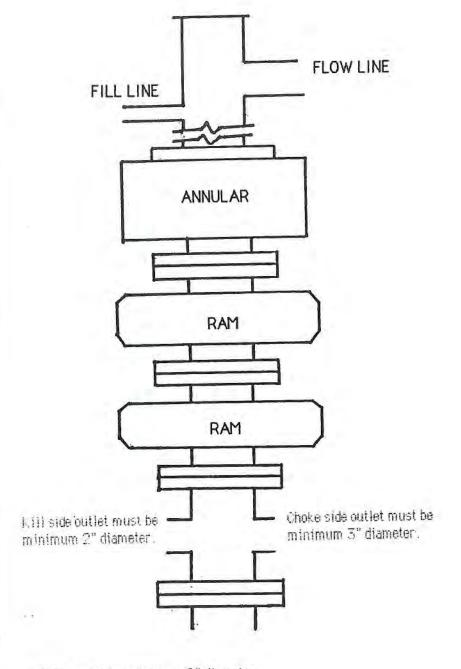
production is the secondary goal. Oil and gas shows which appear to the well geologist to be commercial will be tested. All fresh water and prospectively valuable minerals will be recorded by depth and protected with casing and cement. Likely fresh water zones are the Glen Canyon group of sandstones.

3. PRESSURE CONTROL

A 13-5/8" 3,000 psi double ram and annular preventer with a 3,000 psi choke manifold will be used. A diagram of a typical BOP is on Page 3. Actual model will not be known until bid is let. Procedures are ...

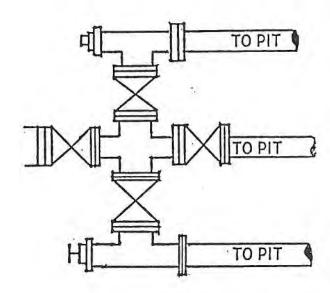
- Nipple up BOP and all equipment Test to 250 #/3,000# Test Hydril to 2,000 psi Log in I. A. D. C. book
- Drill 1/2 of shoe joint Test to 1,500 psi for 30 minutes Log in I. A. D. C. book
- Activate BOPs every 24 hours or on trips and log in I. A. D. C. book
- Install hand wheels and lay straight flare line before drilling out
- Conduct weekly BOP drills with each crew and log in I. A. D. C. book
- Have floor valve and wrench on floor at all times Floor valve must be in open position
- Before drilling surface casing shoes, blind rams will be closed. BOP and surface casing will be pressure tested to 1,500 psi for a total test time of 30 minutes if not previously tested by Halliburton during cement job.
- Studs on all well head and BOP flanges will be checked for tightness weekly
- Hand wheels for locking screws will be installed and operational
- Entire BOP and well head assembly will be kept clean of mud
- A drill stem safety valve in the open position will be available
- Call BLM at (505 599-8900) and the Utah Division of Oil, Gas, & Mining at (801 538-5340) before testing BOPs





TYPICAL BOP STACK & CHOKE MANIFOLD

There will be at least 2 chokes and 2 choke line valves (3" minimum). The choke line will be 3" in diameter. There will be a pressure gauge on the choke manifold.



killi line will be minimum 2" diameter and have 2 valves, one of which shall be a minimum 2" check valve.

Upper kelly cock will have handle available.

Safety valve and subs will fit all drill string connections in use.

All EOPE connections subjected to well pressure will be flanged, welded, or clamped.



PAGE 4

4. CASING & CEMENT

Hole Size	O. D.	Weight	Grade	Age	Coupling	Burst/Collapse	Depth Set
20"	16"		Conductor	New			60'
12-1/4"	8-5/8"	24#	J or K-55	New	ST&C	2,950/1,370	1,400'
7-7/8"	5-1/2"	17#	J or K-55	New	LT&C	5,320/4,910	6,850'

Conductor pipe will be cemented to the surface with ready-mix.

Surface casing will be cemented to the surface with $\approx 50\%$ excess. Lead with ≈ 325 sacks (≈ 633 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈ 200 sacks (≈ 238 cubic feet) standard cement + 1% CaCl₂ + 1/4 pound per sack cellophane mixed at 15.6 pounds per gallon and 1.19 cubic feet per sack. Centralizers will be placed ≈ 5 ' off the bottom and on the first three joints and the fifth joint.

Production casing will be cemented with \approx 40% excess to \approx 1,200' (i. e., \geq 200' above surface casing shoe). Lead with \approx 510 sacks (\approx 994 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with \approx 335 sacks (\approx 422 cubic feet) premium with 5 pounds per sack gilsonite + 0.6% Halad 9 + 0.25 CFR-3 mixed at 15.2 pounds per gallon and 1.26 cubic feet per sack. Centralizers will be set on the shoe joint, top of the second and third joints, and continue through and above pay zones at \approx 90' intervals.

5. MUD PROGRAM

Interval	Weight	Viscosity	Fluid Loss	Type
0 -1,400'	8.3 - 8.7	27 - 32	N/C	Fresh H ₂ O gel lime spud mud, pH 9
1,400' - TD	8.4 - 10.0	38 - 40	8 cc	Fresh water gel & PHPA, SAPP,
etc.				



PAGE 5

Cuttings will be collected every $\approx 30'$ from the surface to $\approx 5,500'$. Cuttings will be collected every $\approx 10'$ from $\approx 5,500'$ to TD.

6. CORES, LOGS, & TESTS

Cores may be cut depending upon shows, most likely in the Desert Creek. GR - Sonic and DLL-Micro-SFL log suites will be run from TD to the surface. FDC-CNL logs will be run from TD to $\approx 4,000$ '. No drill stem tests are currently planned.

A geologist or mud logger will be on site from ≈4,000' to TD.

7. DOWN HOLE CONDITIONS

No abnormal temperatures or abnormal pressures are expected. Maximum expected bottom hole pressure will be $\approx 2,945$ psi. Hydrogen sulfide is expected in the Mississippian, just below the Pinkerton. A contingency plan is on file.

8. OTHER INFORMATION

The anticipated spud date is December 1, 2011. It is expected it will take ≈ 3 weeks to drill and ≈ 2 weeks to complete the well.



PAGE 6

NNOGC Exploration and Production LLC Tohonadla 1-Delta 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

Surface Use Plan

1. DIRECTIONS (See PAGES 10 - 13)

From the junction of US 163 and US 191 west of Bluff
Go South 8-1/4 miles on US 191 to the equivalent of Mile Post 13.1
Then turn left and go North 1/3 mile on a sandy road
Then bear right and go Northeast 0.4 mile on a sandy road
Then turn right and go Southeast 0.2 mile on a sandy road
The existing road overlaps the southwest corner of the proposed pad

Roads will be maintained to at least equal to their present condition.

2. ROAD WORK

No upgrade is needed for the existing road. No new road is needed.

3. EXISTING WELLS (See PAGE 12)

One water, 5 oil, and 5 plugged wells are within a mile radius. There are no gas or injection wells within a mile radius.

4. PROPOSED PRODUCTION FACILITIES (See PAGE 13)

A well head and gas powered pump will be installed on the pad. Both will be painted a flat Carlsbad tan. The well will tie into the approved, but not yet built, Tohonadla 1-E pipeline where it crosses the 1-Delta pad. The pipeline will be buried ≈ 36 " deep.



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5. WATER SUPPLY

Water will be trucked from Monument Resources' well on private land in 30-40s-22e near Bluff. Water right number is 09-135.

6. CONSTRUCTION METHODS & MATERIALS (See PAGES 13 - 15)

The top 6" of soil and brush will be stripped and stockpiled east of the pad. The pit subsoil will be piled east of the pit and separate from the topsoil. A diversion ditch will be cut north and east of the pad. A minimum 12 mil plastic liner will be installed in the reserve pit. The reserve pit will be fenced sheep tight on 3 sides with woven wire fence topped with barbed wire. The fourth side will be fenced once the rig moves off. The fence will be kept in good repair while the pit dries. Once dry, contents of the reserve pit will be buried in place.

Rock will be bought and trucked from private land near Bluff.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage and hauled to the county landfill. Human waste will be disposed of in chemical toilets. Toilet contents will be hauled to a state approved dump station off the reservation.

8. ANCILLARY FACILITIES

There will be no air strip or camp. Camper trailers will be parked on the pad for the company man, tool pusher, and mud logger.



PAGE 8

9. WELL SITE LAYOUT

See PAGES 13 - 15 for drawings of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking, living facilities, and rig orientation.

10. RECLAMATION

Reclamation starts once the reserve pit is dry, at which point it will be back filled. Liner top will be folded over contents and covered with ≥ 24 " of dirt. The reserve pit and any pad areas not needed for producing the well will be reclaimed as an interim measure. Once the well is plugged, the remainder of the pad and road will be reclaimed.

All reclamation will leave the terrain with a natural shape, slopes will be no steeper than 3 to 1, subsoil will be used to fill the reserve pit, all compacted areas will be ripped ≥12" deep with the contour, topsoil will be spread across all compacted areas and harrowed with the contour. A seed mix will be drilled as prescribed by the Navajo Nation, BIA, or BLM. Weeds will be controlled in accordance with Tribal, BIA, or BLM requirements.

11. SURFACE OWNER

All construction will be on Navajo Tribal surface. Project Review Office phone is (928) 871-6447. Address is P. O. Box 2249, Window Rock, AZ 86515.

12. OTHER INFORMATION

Blue Mountain Hospital is a ≈3/4 hour drive away in Blanding at 802 South



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and 200 West. Hospital phone number is (435) 678-3993.

Bertha Spencer (BIA), Esther Kee (Navajo Nation), Marcella Martinez (BLM), John Hatch (NNOGC), and Charles Black (Permits West) conducted an on site inspection on August 24, 2011.

13. REPRESENTATION & CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 4th day of September, 2011.

Brian Wood, Consultant

Permits West, Inc.

37 Verano Loop, Santa Fe, NM 87508

(505) 466-8120

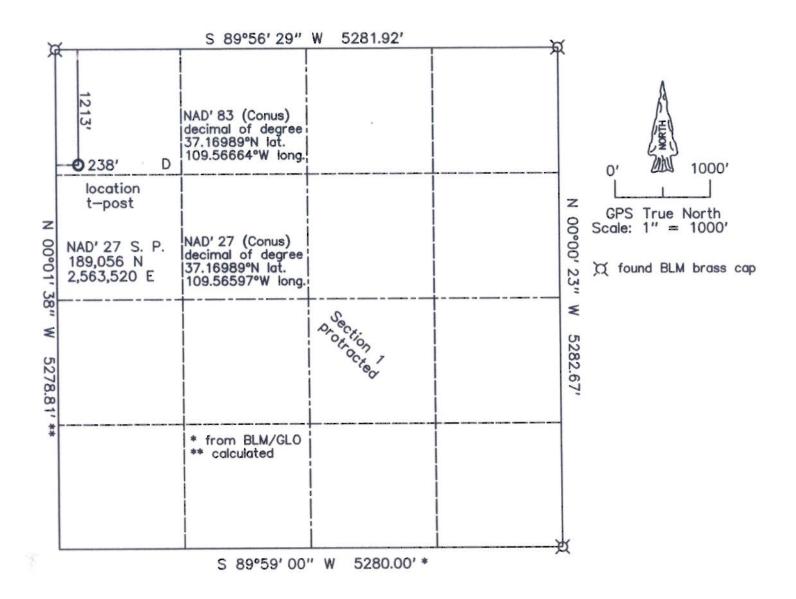
FAX: (505) 466-9682

Mobile: (505) 699-2276

The field representative will be:

Scott Daves NNOGC Exploration and Production LLC 1675 Broadway, Suite 1100 Denver, CO 80202 (303) 534-8300



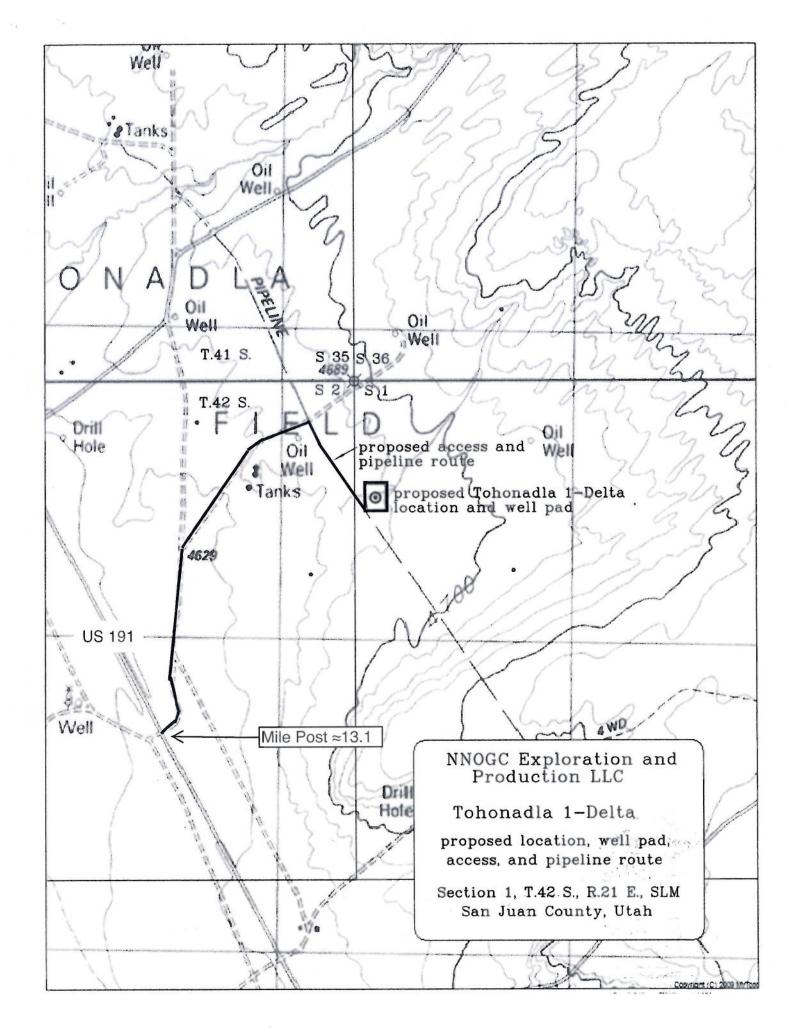


Location Description — NNOGC Exploration and Production LLC Tohonadla 1—Delta 1213' FNL & 238' FWL Section 1, T.42 S., R.21 E., SLM 4675' ground elevation NAVD' 88 San Juan County, UT



The above and plat is correct to my knowledge and belief Utah Land Surveyor 161297.

date: 05/11/2011 rev: 07/13/2011



API Well Number: 43037500330000

NAVAJO NATION OIL & GAS COMPANY

EXPLORATION & PRODUCTION LLC

1675 Broadway, Suite 1100 • Denver, Colorado • 80202

Telephone (303) 534-8300 • FAX (303) 534-1405

September 5, 2012

Utah Department of Natural Resources Division of Oil, Gas, and Mining Diana Mason P.O. Box 145801 Salt Lake City, Utah 84114-5801

Dear Diana:

RE: EXCEPTION TO LOCATION

Well Name: Tohonadla 1-Delta

APD Number: 5459

Lease No.: 14-20-603-270

Operator: NAVAJO NATION OIL & GAS CO

Pursuant to R649-3-2, I would like to request an exception for the location of the above referenced well.

The location of the proposed well is not in the center of the quarter-quarter in Section 1: Township 42 South, Range 21 East SLPM, San Juan County, Utah. The site of this proposed well is on Navajo Tribal land and the Navajo Nation is the only owner within 460 feet of the proposed well.

The Navajo Nation Oil & Gas Company has received approval from the BIA, BLM, the Navajo Nation and NEPA for this proposed well and pipeline on Navajo Tribal Trust land. The reason for this particular well location is for production in the Desert Creek and Ismay formations. Under the terms of the Navajo Nation Tribal Lease, NNOGC has the obligation to develop these mineral resources.

The need for this project is established under the Federal Onshore Oil & Gas Leasing Reform Act of 1987 to extract mineral resources from Indian Tribal lease land for oil and gas development.

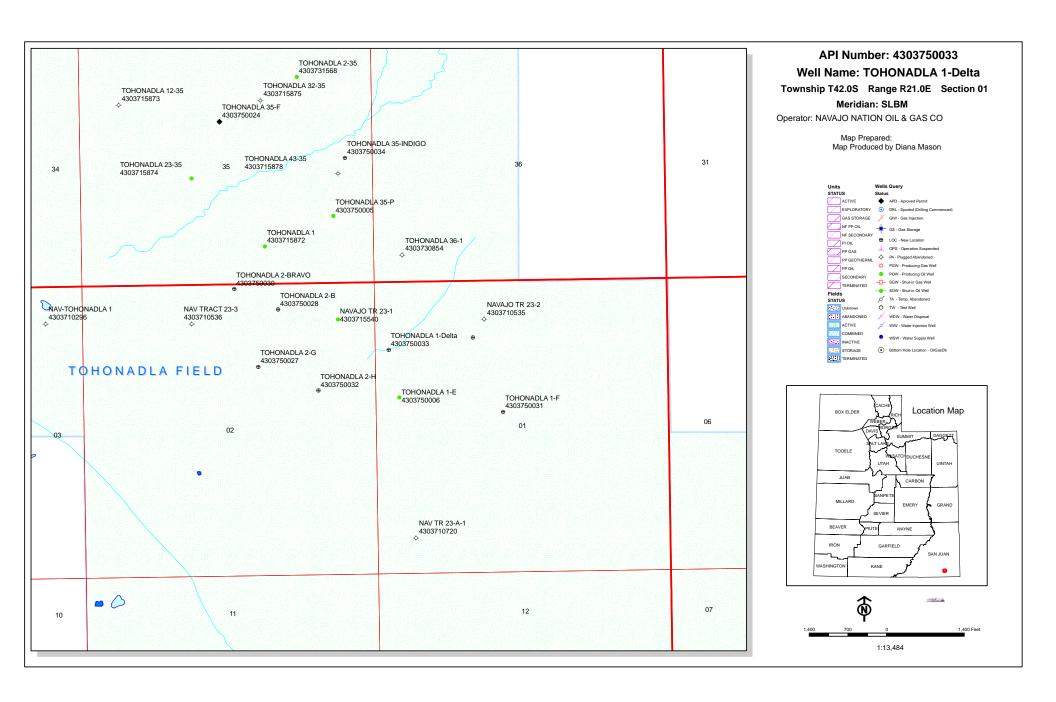
Attached to the Application for Permit to Drill is a well location plat map showing the siting of the proposed well.

Should you require any additional information to approve this exception, please contact me at (303) 534-8300.

Sincerely,

Katie Hynes

Associate Landman



API Well Number: 43037500330000

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/5/2012 API NO. ASSIGNED: 43037500330000

WELL NAME: TOHONADLA 1-Delta

OPERATOR: NAVAJO NATION OIL & GAS CO (N2550) PHONE NUMBER: 303 534-8300

CONTACT: Lauren Germinario

PROPOSED LOCATION: NWNW 01 420S 210E Permit Tech Review:

> SURFACE: 1213 FNL 0238 FWL **Engineering Review:**

> **BOTTOM:** 1213 FNL 0238 FWL Geology Review:

COUNTY: SAN JUAN

LATITUDE: 37.16983 LONGITUDE: -109.56657 UTM SURF EASTINGS: 627260.00 NORTHINGS: 4114674.00

FIELD NAME: TOHONADLA

LEASE TYPE: 2 - Indian

LEASE NUMBER: 1420603270 PROPOSED PRODUCING FORMATION(S): LEADVILLE

SURFACE OWNER: 2 - Indian **COALBED METHANE: NO**

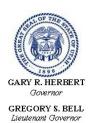
RECEIVED AND/OR REVIEWED: LOCATION AND SITING: **I**✓ PLAT R649-2-3. Bond: INDIAN - RLB0006712 Unit: **Potash** R649-3-2. General Oil Shale 190-5 Oil Shale 190-3 R649-3-3. Exception **Drilling Unit** Oil Shale 190-13 Board Cause No: R649-3-3 Water Permit: 09-135 **Effective Date: RDCC Review:** Fee Surface Agreement Siting: ✓ Intent to Commingle R649-3-11. Directional Drill

Comments: Presite Completed

Commingling Approved

Stipulations:

1 - Exception Location - dmason4 - Federal Approval - dmason14 - Commingling Temporary Denial - ddoucet23 - Spacing - dmason



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: TOHONADLA 1-Delta

API Well Number: 43037500330000 **Lease Number:** 1420603270

Surface Owner: INDIAN

Approval Date: 10/17/2012

Issued to:

NAVAJO NATION OIL & GAS CO, P.O. Box 4439, Window Rock, AZ 86515

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the LEADVILLE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Downhole commingling between formations cannot occur until the provisions of Rule R649-3-22, Completion Into Two or More Pools, have been met.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available) OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
 - Requests to Change Plans (Form 9) due prior to implementation
 - Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

Division of Oil, Gas and Mining OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
CDW

X - Change of Operator (Well Sold)		Operator Name Change/Merger						
The operator of the well(s) listed below has cha	tive:	8/1/2010						
FROM: (Old Operator):			TO: (New O	perator):				
N2550- Navajo Oil & Gas Cp.			N3930- NNO	GC Explorat	ion & Production	ı, LLC		
1625 Broadway, Suite 1100			1625 Broadwa	y, Suite 100	0			
Denver, CO 80202			Denver, CO 80)202				
Phone: 1 (303) 534-8300			Phone: 1 (303)					
CA No.			Unit:	N/A	T	1		
WELL NAME	SEC TV	VN	API NO	ENTITY	LEASE	WELL	WELL	
G. Aug lad I in	RNG			NO	TYPE	TYPE	STATUS	
See Attached List	<u> </u>		1		<u> </u>			
OPERATOR CHANGES DOCUMENT Enter date after each listed item is completed 1. (R649-8-10) Sundry or legal documentation was 2. (R649-8-10) Sundry or legal documentation was 3. The new company was checked on the Depard 4a. Is the new operator registered in the State of 5a. (R649-9-2) Waste Management Plan has been a 5b. Inspections of LA PA state/fee well sites com 5c. Reports current for Production/Disposition & 6. Federal and Indian Lease Wells: The B or operator change for all wells listed on Federal 7. Federal and Indian Units: The BLM or BIA has approved the successed 8. Federal and Indian Communization A The BLM or BIA has approved the operator 9. Underground Injection Control ("UIC Inject, for the enhanced/secondary recovery to DATA ENTRY: 1. Changes entered in the Oil and Gas Databas	vas receive vas receive tment of C Utah: received or plete on: Sundries o LM and or eral or India or of unit o greement r for all we ") Division unit/project	d from the Commercent: on: the BIA an leases perator for the Commercent in the Comm	ne NEW operators, provided the NEW operators, provided the New American Street Street, provided the New American Street, provided the New Amer	or on: Corporation ber: e merger, na BLM n: Corm 5 Tran	8399948-0165 ame change, 8/1/2010 N/A nsfer of Author	BIA	<u>12/31/2012</u> 	
 Changes entered in the Oil and Gas Databas Changes have been entered on the Monthly O 		Change S	12/31/2102 Spread Sheet on	<u>.</u>	12/31/2012	_		
3. Bond information entered in RBDMS on:			12/31/2012	_				
4. Fee/State wells attached to bond in RBDMS of			12/31/2012	_				
5. Injection Projects to new operator in RBDMS			12/31/2012	-	_			
6. Receipt of Acceptance of Drilling Procedures	for APD/N	New on:		12/31/2012	<u>2</u>			
BOND VERIFICATION:								
1. Federal well(s) covered by Bond Number:			N/A	_				
2. Indian well(s) covered by Bond Number:			RLB0006712	_				
3a. (R649-3-1) The NEW operator of any state/	fee well(s)	listed co	vered by Bond l	Number	N/A	_		
3b. The FORMER operator has requested a release	se of liabil	lity from	their bond on:	N/A				
LEASE INTEREST OWNER NOTIFIC	CATION	T :			_			
4. (R649-2-10) The NEW operator of the fee wel			ed and informed	by a letter fi	rom the Division			
of their responsibility to notify all interest own				N/A				
COMMENTS:								

Navajo Nations Oil Gas Co. (N2550) to NNOGC Exploration Production, LLC (N3930) Effective 8/1/2012

			İ				Well	Well
Well Name	Sec	TWP	RNG	API	Entity	Lease	Туре	Status
TOHONADLA 26-OSCAR	26			4303750022			OW	APD
TOHONADLA 35-F	35			4303750024		Indian	ow	APD
TOHONADLA 2-G	02			4303750027		Indian	OW	APD
TOHONADLA 2-B	02			4303750028		Indian	OW	APD
TOHONADLA 1-C	01			4303750029		Indian	OW	APD
TOHONADLA 2-BRAVO	02			4303750030		Indian	ow	APD
TOHONADLA 1-F	01			4303750031		Indian	OW	APD
TOHONADLA 2-H	02			4303750032		Indian	OW	APD
TOHONADLA 1-Delta	01			4303750033		Indian	OW	APD
TOHONADLA 35-INDIGO	35			4303750034		Indian	ow	APD
TOHONADLA 35-J	35			4303750035		Indian	OW	APD
UTE CANYON 25G-O	25			4303731913		Indian	OW	DRL
TOHONADLA 35-B	35			4303750023				DRL
UTE CYN 23-INDIGO	23			4303731880		Indian		LA
TOHONADLA 35-P	35	410S	210E	4303731886		Indian	OW	LA
TOHONADLA 1-E	01	420S	210E	4303731887		Indian	OW	LA
TOHONADLA 1-D	01	420S	210E	4303731888		Indian	OW	LA
TOHONADLA 26-O	26	410S	210E	4303731896		Indian	OW	LA
UTE CYN 23-INDIGO	23	410S	210E	4303731911		Indian	OW	LA
NAVAJO TR 23-1	02	420S	210E	4303715540	6230	Indian	OW	P
DESERT CREEK 2	35	410S	230E	4303715868	6270	Indian	OW	P
TOHONADLA 1	35			4303715872				P
TOHONADLA 23-35	35	410S	210E	4303715874	11202	Indian	OW	P
NAVAJO TRIBAL 23-13	13	400S	240E	4303730971	9420	Indian	OW	P
NAVAJO TRIBAL 14-10	10	400S	240E	4303730977	10130	Indian	OW	P
SAHGZIE 1	05	420S	240E	4303731472	11032	Indian	OW	P
ANASAZI 1	05	420S	240E	4303731478	11042	Indian	OW	P
CAJON MESA 8D-1	08	400S	250E	4303731497	11074	Indian	OW	P
MONUMENT 8N-2	08	400S	250E	4303731509	11087	Indian	OW	P
RUNWAY 10G-1	10	400S	250E	4303731515	11105	Indian	OW	P
LONE MOUNTAIN CREEK 12F-1	12	420S	240E	4303731545	11148	Indian	OW	P
RUNWAY 10E-2	10			4303731550				P
BLUE HOGAN 1J-1	01	420S	230E	4303731562	11161	Indian		P
TOHONADLA 2-35	35	410S	210E	4303731568	11202	Indian	OW	P
ANASAZI 5L-3	05	420S	240E	4303731572	11207	Indian	OW	P
BROWN HOGAN 1A-2	01			4303731573				P
MULE 31K (N)	31			4303731617				P
BURRO 31I	31	410S	240E	4303731708	11496	Indian	OW	P
MULE 31M	31			4303731710			OW	P
ANASAZI 6H-1	06			4303731744			OW	P
TOHONADLA 35-P	35			4303750005			OW	P
TOHONADLA 1-E	01			4303750006				P
NAVAJO TRIBAL 41-2	02			4303731041				PA
MONUMENT 17E-2	17			4303731547				S
RUNWAY 10C-5A	10			4303731597				S
UTE CYN 23-P	23	410S	210E	4303731881	17282	Indian	OW	S

NAVAIO NATION OIL & GAS COMPANY

EXPLORATION & PRODUCTION LLC

1675 Broadway, Suite 1100 • Denver, Colorado • 80202

Telephone (303) 534-8300 • FAX (303) 534-1405



September 18, 2012

Utah Division of Oil, Gas and Mining c/o Rachel Medina 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

RECEIVED SEP 1 9 2012

RE: Change of Operator Name and Address for Wells

DIV. OF OIL, GAS & MINING

Dear Rachel.

I am including with this letter several original FORM 9 to change the operator on wells. This probably will be done in two steps.

- 1. (16 wells) Change of Operator from RIM Southwest Corporation to Navajo Nation Oil & Gas Co.
- 2. (Same 16 wells) Change of Operator from Navajo Nation Oil & Gas Co. to NNOGC Exploration and Production, LLC.

We have recently registered our LLC with the State of Utah. The Utah Entity Number for NNOGC Exploration and Production, LLC is: 8399948-0165. Also, a new DOGM No. has been applied for for the LLC.

The name and address change is as follows:

OLD: Navajo Nation Oil & Gas Co.

1675 Broadway, Suite 1100

Denver, CO 80202

(DOGM Operator No. N2550)

NEW: NNOGC Exploration and Production, LLC

1625 Broadway, Suite 1000

Denver, CO 80202

Should you require any additional information please contact me at 303-534-8300.

Sincerely,

Katie Hynes

Associate Landman

Katil Hynor

This space for State use only)	DEC	3 1 2012	RECEIVED
SIGNATURE XULLI	Terminary APPF	ROVED 4/14/	/2
NAME (PLEASE PRINT) Lauren C	Serminario	Land Manage	r
Effective Jul	4 10,3010		
•	Bond No. RL	-B0006712	÷
The new Entity is:	NNOGC Explorati 1625 Broadway, S Denver, CO 8020	^^	n No.: <u>3930</u>
-	for the LLC is: 8399948-0165.		
The Navajo Nation Oil at change applies to all we	nd Gas Co. has registered its new list currently operated by DOGN N	entity with the State of Utah.	
	CONVERT WELL TYPE	RECOMPLETE - DIFFERENT FORMATI	
Date of work completion:	CHANGE WELL STATUS COMMINGLE PRODUCING FORMATIONS	PRODUCTION (START/RESUME) RECLAMATION OF WELL SITE	WATER SHUT-OFF OTHER:
SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE TUBING CHANGE WELL NAME	PLUG BACK	WATER DISPOSAL
	CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE PLUG AND ABANDON	TUBING REPAIR VENT OR FLARE
(Submit in Duplicate) Approximate date work will start:	ALTER CASING CASING REPAIR	FRACTURE TREAT NEW CONSTRUCTION	SIDETRACK TO REPAIR WELL TEMPORARILY ABANDON
NOTICE OF INTENT	ACIDIZE	DEEPEN DEEPEN	REPERFORATE CURRENT FORMATION
11. CHECK APP	PROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REI	PORT, OR OTHER DATA
QTR/QTR, SECTION, TOWNSHIP, RA			UTAH
FOOTAGES AT SURFACE: See			COUNTY: San Juan
1675 Broadway, Suite 1100 C	Denver STATE CO ZIF	80202 (303) 534-8300	various
Navajo Nation Oil & Gas 3. ADDRESS OF OPERATOR:		PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT: Various
2. NAME OF OPERATOR:	00		9. API NUMBER: Various
1. TYPE OF WELL OIL WELL		ioni ioi odon proposato.	WELL NAME and NUMBER: See Attached
Do not use this form for proposals to dril	I new wells, significantly deepen existing wells below cu I laterals. Use APPLICATION FOR PERMIT TO DRILL	rrent bottom-hole depth. reenter plugged wells, or form for such proposals	7. UNIT or CA AGREEMENT NAME:
SUNDR	Y NOTICES AND REPORT	S ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Navajo Nation
	DIVISION OF OIL, GAS AND M		5. LEASE DESIGNATION AND SERIAL NUMBER: See Sttached
	STATE OF UTAH DEPARTMENT OF NATURAL RESOU	RCES	

BY: Rachel Medina (See Instructions on Reverse Side)

DIV. OIL GAS & MINING .

DIV. OF OIL, GAS & MINING

SEP 1 7 2012

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

		1 -	ASE DESIGNATION AND SERIAL NUMBER:					
	SUNDRY NOTICES AND REPORTS ON WELLS							ndian, allottee or tribe name: vajo Nation
Do	not use this form for proposals to drill r drill horizontal l	7. UN	T or CA AGREEMENT NAME:					
	1. TYPE OF WELL OIL WELL GAS WELL OTHER							ELL NAME and NUMBER:
	AME OF OPERATOR:	Co						NUMBER:
	avajo Nation Oil & Gas (<u> </u>				PHONE NUMBER:		ELD AND POOL, OR WILDCAT:
P.C). Box 5069 _{CIT}	Y Window Rock	STATE AZ	₃ 865	15	(303) 534-8300	Va	rious
	OCATION OF WELL OOTAGES AT SURFACE:						COUN	ту: San Juan
Q.	TR/QTR, SECTION, TOWNSHIP, RAN	√GE, MERIDIAN:					STATE	: UTAH
11.	CHECK APPI	ROPRIATE BOXES	TO INDICA	TE N	ATURE	OF NOTICE, REF	ORT, C	R OTHER DATA
	TYPE OF SUBMISSION				T	YPE OF ACTION		
	NOTICE OF INTENT	ACIDIZE			DEEPEN			REPERFORATE CURRENT FORMATION
	(Submit in Duplicate)	ALTER CASING			FRACTURE	TREAT		SIDETRACK TO REPAIR WELL
	Approximate date work will start:	CASING REPAIR			NEW CONS			TEMPORARILY ABANDON
		CHANGE TO PREVIOU	JS PLANS	<u></u>	OPERATOR			TUBING REPAIR
17 1	OURSES VENT DEDORT	CHANGE TUBING			PLUG AND A			VENT OR FLARE
Z	SUBSEQUENT REPORT (Submit Original Form Only)	CHANGE WELL NAME			PLUG BACK			WATER DISPOSAL
	Date of work completion:	CHANGE WELL STATE				ON (START/RESUME)	닏	WATER SHUT-OFF
		COMMINGLE PRODUC				ON OF WELL SITE		OTHER:
		CONVERT WELL TYPE		<u> </u>		TE - DIFFERENT FORMATIC		
12.	DESCRIBE PROPOSED OR CO	OMPLETED OPERATIONS.	Clearly show all	pertine	nt details inc	cluding dates, depths, volu	umes, etc.	
to a	e Navajo Nation Oil & G all the wells that have re 550)							and address change applies & Gas Co. (DOGM No.
The	e Utah Entity Number fo	or the LLC is: 8399	948-0165					
No	te: A new DOGM No.	, has been applied fo	or NNOGC E	xplor	ation and	d Production, LLC		
Ple	Please see the attached list of wells that will now be operated by: NNOGC Exploration and Production, LLC 1625 Broadway, Suite 1000 Denver, CO 80202							
All	All of these wells are covered by Bond No. RLB0006712							
E£	fective: Aug	1,3012		· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·			
NAME	(PLEASE PRIMI) Lauren Ge	rminario			TITLE	Land Manager		The contribution of the co
		kuminaw	-		DATE	9/18/2012		
This sp	ace for State use only)	PROVED	<u> </u>					proeiveo

DIV. OIL GAS & MINING BY: Rachel Medina SEP 1 C 2002

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

See Attached

Loca	tion:	Qtr-Qtr:	Section:	Township:	Range.			
Com	pany that filed original application:	Navajo Nation (Oil & Gas Co.					
Date	original permit was issued:							
Com	pany that permit was issued to:							
Check one		Des	ired Action:					
✓	Transfer pending (unapproved) Application for Permit to Drill to new operator							
	The undersigned as owner with legal a submitted in the pending Application for owner of the application accepts and a	or Permit to Dri	II, remains valid an	id does not require rev	vision. The new			
Transfer approved Application for Permit to Drill to new operator								
	The undersigned as owner with legal information as submitted in the previous revision.	rights to drill on usly approved a	the property as peapplication to drill,	ermitted, hereby verifie remains valid and doe	s that the s not require			
Follo	wing is a checklist of some items rel	lated to the ap	plication, which s	should be verified.	Yes	No		
If loca	ated on private land, has the ownership	changed?				1		
	If so, has the surface agreement been	updated?						
	any wells been drilled in the vicinity of rements for this location?	the proposed w	ell which would af	fect the spacing or siti	ng	√		
Have propo	there been any unit or other agreementsed well?	its put in place	that could affect th	e permitting or operati	on of this	✓		
	there been any changes to the access used location?	route including	ownership or right	t-of-way, which could a	affect the	✓		
Has t	he approved source of water for drilling	changed?				1		

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Have there been any physical changes to the surface location or access route which will require a change in

plans from what was discussed at the onsite evaluation?

Is bonding still in place, which covers this proposed well? Bond No. RLB0006712

Name (please print) Lauren Germinario	Title Land Manager
Signature Summarin	Date 9/14/12
Representing (company name) NNOGC Exploration and Production	n, LLC

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.

Well name:

API number:

Sundry Number: 35629 API Well Number: 43037500330000 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

	STATE OF UTAH			FORM
	DEPARTMENT OF NATURAL RESOURG DIVISION OF OIL, GAS, AND MIR	-		5.LEASE DESIGNATION AND SERIAL NUMBER 1420603270
	RY NOTICES AND REPORTS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO
Do not use this form for pro- current bottom-hole depth, FOR PERMIT TO DRILL form	pposals to drill new wells, significantly reenter plugged wells, or to drill horizon for such proposals.	deepe ontal la	en existing wells below aterals. Use APPLICATION	7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: TOHONADLA 1-Delta			
2. NAME OF OPERATOR: NNOGC EXPLORATION & PRODUCTION, LLC				9. API NUMBER: 43037500330000
3. ADDRESS OF OPERATOR: 1625 Broadway, Suite 1000	0 , Denver , CO, 80202		NE NUMBER: 910-9525 Ext	9. FIELD and POOL or WILDCAT: TOHONADLA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1213 FNL 0238 FWL				COUNTY: SAN JUAN
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNW Section: 01 Township: 42.0S Range: 21.0E Meridian: S			S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	TE NA	ATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
✓ NOTICE OF INTENT	ACIDIZE		LTER CASING	CASING REPAIR
Approximate date work will start: 3/15/2013	✓ CHANGE TO PREVIOUS PLANS	С	HANGE TUBING	CHANGE WELL NAME
3/13/2013	CHANGE WELL STATUS	co	OMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	☐ FF	RACTURE TREAT	NEW CONSTRUCTION
Jacob Mark Completion	OPERATOR CHANGE	PL	LUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION SI		DETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	☐ ve	ENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF	☐ sı	TA STATUS EXTENSION	APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION	☐ o ¹	THER	OTHER:
12 DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	all ner	tinent details including dates d	lenths volumes etc
I .	e see attached revised drilling			Accepted by the
1 1000		·9 P·	ogra	Utah Division of Oil, Gas and Mining
				Date: March 20, 2013
				By: Dod K Quit
NAME (PLEASE PRINT)	PHONE NUME	BER	TITLE	
Lauren Germinario	303 538-8300		Land Manager	
SIGNATURE N/A			DATE 3/15/2013	

Drilling Program

1. FORMATION TOPS

The estimated tops of important geologic markers are:

The estimated tops	7.5	= 4687
	TVD	Subsea
Carmel	0	4687
Navajo	155	4532
Kayenta	555	4132
Wingate	600	4087
Chinle	1050	3637
Moenkope	2040	2647
De Chelly	2120	2567
Cutler	2312	2375
Hermosa	4066	621
Hatch Sh.	4908	-221
U. Ismay	4934	-247
Top Core #1	4990	-303
Hovenweep Sh.	4992	-305
L. Ismay	5010	-323
Gothic Lm.	5075	-388
Gothic Sh.	5087	-400
U. Desert Creek	5096	-409
Base Core #1	5136	-449
L. Desert Creek	5228	-541
Chimney Rock Sh.	5338	-651
Akah Anhydrite	5346	-659
Top Core #2	5570	-883
U. Barker Creek	5586	-899
M. Barker Creek	5656	-969
L. Barker Creek	5760	-1073
Pinkerton Trail	5840	-1153
Base Core #2	5900	-1213
Molas	6020	-1333
Leadville	6225	-1538
Projected TD	6500	-1813



PAGE 1

NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 2

2. NOTABLE ZONES

Desert Creek and Ismay oil production is the primary goal. Upper Leadville oil production and Barker Creek oil is the secondary goal. Oil and gas shows which appear to the well geologist to be commercial will be tested. All fresh water and prospectively valuable minerals will be recorded by depth and protected with casing and cement. Likely fresh water zones are the Glen Canyon group of sandstones.

3. PRESSURE CONTROL

A 13-5/8" 3,000 psi double ram and annular preventer with a 3,000 psi choke manifold will be used. A diagram of a typical BOP is on Page 3. Actual model will not be known until bid is let. Procedures are ...

- Nipple up BOP and all equipment Test to 250 #/3,000#

Test Hydril to 2,000 psi Log in I. A. D. C. book

- Drill 1/2 of shoe joint

Test to 1,500 psi for 30 minutes

Log in I. A. D. C. book

- Activate BOPs every 24 hours or on trips and log in I. A. D. C. book
- Install hand wheels and lay straight flare line before drilling out
- Conduct weekly BOP drills with each crew and log in I. A. D. C. book
- Have floor valve and wrench on floor at all times

Floor valve must be in open position

- Before drilling surface casing shoes, blind rams will be closed. BOP and surface casing will be pressure tested to 1,500 psi for a total test time of 30 minutes if not previously tested by Halliburton during cement job.
- Studs on all well head and BOP flanges will be checked for tightness weekly
- Hand wheels for locking screws will be installed and operational
- Entire BOP and well head assembly will be kept clean of mud
- A drill stem safety valve in the open position will be available
- Call BLM at (505 599-8900) and the Utah Division of Oil, Gas, & Mining at (801 538-5340) before testing BOPs



NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 3

4. CASING & CEMENT

Hole Size	O. D.	Weight	Grade	Age	Coupling	Burst/Collapse	Depth Set
20"	16"		Conductor	New			60'
13-3/8"	9-5/8"	36#	J or K-55	New	ST&C	3,520/2,020	2,100'
8-3/4"	7"	26#	L-80	New	LT&C	7,240/5,410	6,850

Conductor pipe will be cemented to the surface with ready-mix.

Surface casing will be cemented to the surface with ≈50% excess. Lead with ≈400 sacks (≈633 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈200 sacks (≈238 cubic feet) standard cement + 1% CaCl₂ + 1/4 pound per sack cellophane mixed at 15.6 pounds per gallon and 1.19 cubic feet per sack. Centralizers will be placed ≈5' off the bottom and on the first three joints and the fifth joint.

Production casing will be cemented with ≈40% excess to ≈1,900' (i. e., ≥200' above surface casing shoe). Lead with ≈600 sacks (≈994 cubic feet) Halliburton light with 5 pounds per sack gilsonite + 1/4 pound per sack cellophane mixed at 12.4 pounds per gallon and 1.95 cubic feet per sack. Tail with ≈335 sacks (≈422 cubic feet) premium with 5 pounds per sack gilsonite + 0.6% Halad 9 + 0.25 CFR-3 mixed at 15.2 pounds per gallon and 1.26 cubic feet per sack. Centralizers will be set on the shoe joint, top of the second and third joints, and continue through and above pay zones at ≈90' intervals.

5. MUD PROGRAM

Interval	Weight	Viscosity	Fluid Loss	Туре
0 -1,400'	8.3 - 8.7	27 - 32	N/C	Fresh H ₂ O gel lime spud mud, pH 9
1,400' - TD	8.4 - 10.0	38 - 40	8 cc	Fresh water gel & PHPA, SAPP, etc

Cuttings will be collected every ≈30' from the surface to ≈5,500'. Cuttings will be collected every ≈10' from ≈5,500' to TD.

6. CORES, LOGS, & TESTS

Cores may be cut depending upon shows, most likely in the Desert Creek. GR - Sonic and DLL-Micro-SFL log suites will be run from TD to the surface. FDC-CNL logs will be run from TD to ≈4,000'. No drill stem tests are currently planned.

A geologist or mud logger will be on site from ≈4,000' to TD.



NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 4

7. DOWN HOLE CONDITIONS

No abnormal temperatures or abnormal pressures are expected. Maximum expected bottom hole pressure will be ≈2,945 psi. Hydrogen sulfide is expected in the Mississippian, just below the Pinkerton. A contingency plan is attached.

8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take ≈3 weeks to drill and ≈2 weeks to complete the well.

Surface Use Plan

1. DIRECTIONS (See PAGES 11 - 13)

From the junction of US 163 and US 191 west of Bluff
Go South 8-1/4 miles on US 191 to the equivalent of mile post 13.1
Then turn left and go Northeast 3/4 miles on a sandy road
Then turn right and go Southeast 0.2 mile on a sandy road
Then turn left and go East 746.45' cross country to the proposed pad

Roads will be maintained to at least equal to their present condition.

2. ROAD WORK (See PAGES 12 & 13)

No upgrade is needed for the existing road. The 746.45' of new road will be built to BLM Gold Book standards. Road will have a ≈14' wide running surface and will be rocked where needed. No culvert, vehicle turn out, or cattle guard is needed. Maximum disturbed width will be 20'. Maximum cut or fill = 4'. Maximum grade = 3%.

3. EXISTING WELLS (See PAGE 12)

One water, four oil, and five plugged wells within a mile radius. There are no gas or injection wells within a mile radius.



NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 5

4. PROPOSED PRODUCTION FACILITIES (See PAGES 12 & 13)

A well head and gas powered pump will be installed on the pad. Both will be painted a flat Carlsbad tan. A 746.45' long ≈4" O. D. steel pipeline will be laid west along the new road from the well to the existing Tohonadla 1-E pipeline. The pipeline will be buried ≈36" deep.

5. WATER SUPPLY

Water will be trucked from Monument Resources' well on private land in 30-40s-22e near Bluff. Water right number is 09-135.

6. CONSTRUCTION METHODS & MATERIALS (See PAGES 14 & 15)

The top 6" of soil and brush will be stripped and stockpiled east of the pad. The pit subsoil will be piled east of the pit and separate from the topsoil. A diversion ditch will be cut north of the pad. A minimum 12 mil plastic liner will be installed in the reserve pit. The reserve pit will be fenced sheep tight on 3 sides with woven wire fence topped with barbed wire. The fourth side will be fenced once the rig moves off. The fence will be kept in good repair while the pit dries. Once dry, contents of the reserve pit will be buried in place. Rock will be bought and trucked from private land near Bluff.

7. WASTE DISPOSAL

All trash will be placed in a portable trash cage and hauled to the county landfill. Human waste will be disposed of in chemical toilets. Toilet contents will be hauled to a state approved dump station off the reservation.

8. ANCILLARY FACILITIES

There will be no air strip or camp. Camper trailers will be parked on the pad for the company man, tool pusher, and mud logger.

9. WELL SITE LAYOUT

See PAGES 14 and 15 for drawings of the well pad, cross section, cut and fill diagram, reserve pit, trash cage, access onto the location, parking, living facilities, and rig orientation.



NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 6

10. RECLAMATION

Reclamation starts once the reserve pit is dry, at which point it will be back filled. Liner top will be folded over contents and covered with \geq 24" of dirt. The reserve pit and any pad areas not needed for producing the well will be reclaimed as an interim measure. Once the well is plugged, the remainder of the pad and road will be reclaimed.

All reclamation will leave the terrain with a natural shape, slopes will be no steeper than 3 to 1, subsoil will be used to fill the reserve pit, all compacted areas will be ripped ≥12" deep with the contour, topsoil will be spread across all compacted areas and harrowed with the contour. A seed mix will be drilled as prescribed by BLM, BIA, or the Navajo Nation. Weeds will be controlled in accordance with BLM, BIA, or Tribal requirements.

11. SURFACE OWNER

All construction will be on Navajo Tribal surface. Tribal Project Review Office phone is (928) 871-6447. Address is P. O. Box 2249, Window Rock, Arizona, 86515. Land use will be:

220' x 270' well site = 1.36 acres + 40' x 746.45' road & pipeline = 0.69 acres total = 2.05 acres



NNOGC Exploration and Production LLC Tohonadla 1-DELTA 1213' FNL & 238' FWL Sec. 1, T. 42 S., R. 21 E. San Juan County, Utah

PAGE 7

12. OTHER INFORMATION

Blue Mountain Hospital is a ≈2/3 hour drive away in Blanding at 802 South and 200 West. Hospital phone number is (435) 678-3993.

Chuck Yarbrough (BIA) and Charles Black (Permits West) held an on site inspection on June 13, 2007. Well was previously approved (SAS DNR-12002), but never built or drilled. Approvals have since expired.

13. REPRESENTATION & CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U. S. C. 1001 for the filing of false statements. Executed this 3rd day of April, 2012.

Samuel M. Bradley

NNOGC Exploration & Production, LLC

1625 Broadway STE 1000

Denver, CO 80202

(303) 534-8300

FAX: (303) 534-1405

Mobile: (720) 317-5359

The field representative will be:

Sam Bradley or Bill McCabe or John Hatch NNOGC Exploration and Production LLC 1625 Broadway, Suite 1000 Denver, CO 80202 (303) 534-8300



Sundry Number: 42775 API Well Number: 43037500330000

	STATE OF UTAH				FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE 142060	DESIGNATION AND SERIAL NUMBER: 03270	
SUNDRY NOTICES AND REPORTS ON WELLS		6. IF INDI	AN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for pro- current bottom-hole depth, FOR PERMIT TO DRILL form	oposals to drill new wells, significantly reenter plugged wells, or to drill horizen n for such proposals.	y deep ontal l	en existing wells below laterals. Use APPLICATION	7.UNIT o	r CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well					NAME and NUMBER: IADLA 1-Delta
2. NAME OF OPERATOR: NNOGC EXPLORATION & PR	RODUCTION, LLC			9. API NU 430375	MBER: 500330000
3. ADDRESS OF OPERATOR: 1625 Broadway, Suite 1000) , Denver , CO, 80202		NE NUMBER: 910-9525 Ext	9. FIELD TOHON	and POOL or WILDCAT: IADLA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1213 FNL 0238 FWL				COUNTY SAN JU	
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 01 Township: 42.0S Range: 21.0E Me	eridian	: S	STATE: UTAH	
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE N	ATURE OF NOTICE, REPOF	RT, OR O	THER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
· /	ACIDIZE		ALTER CASING		CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING		CHANGE WELL NAME
10/17/2013	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS		CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN DEEPEN		FRACTURE TREAT		NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	i	PLUG AND ABANDON		PLUG BACK
	PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON
	TUBING REPAIR		/ENT OR FLARE		WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF		SI TA STATUS EXTENSION	1	APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION		OTHER	ОТНЕ	R:
12 DESCRIPE PROPOSED OR	COMPLETED OPERATIONS. Clearly show				<u>'</u>
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly snow	v an pe	rtinent details including dates, o	•	Approved by the
					Utah Division of
				0	il, Gas and Mining
				Date:	September 25, 2013
				Ву:	Bacquill
NAME (PLEASE PRINT)	PHONE NUM	BER	TITLE Regulatory Applyet		
Racheal Dahozy	928-871-4880		Regulatory Analyst		
SIGNATURE N/A			DATE 9/20/2013		

Sundry Number: 42775 API Well Number: 43037500330000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037500330000

API: 43037500330000 Well Name: TOHONADLA 1-Delta

Location: 1213 FNL 0238 FWL QTR NWNW SEC 01 TWNP 420S RNG 210E MER S

Company Permit Issued to: NNOGC EXPLORATION & PRODUCTION, LLC

Date Original Permit Issued: 10/17/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
• Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No
nature: Racheal Dahozy Date: 9/25/2013

Sig

Title: Regulatory Analyst Representing: NNOGC EXPLORATION & PRODUCTION, LLC

Sundry Number: 58434 API Well Number: 43037500330000

STATE OF UTAH			FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER:
	1420603270		
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NAVAJO
	oposals to drill new wells, significantly reenter plugged wells, or to drill horiz n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well			8. WELL NAME and NUMBER: TOHONADLA 1-Delta
2. NAME OF OPERATOR: NNOGC EXPLORATION & PI	RODUCTION, LLC		9. API NUMBER: 43037500330000
3. ADDRESS OF OPERATOR: 1625 Broadway, Suite 1000	0 , Denver , CO, 80202	PHONE NUMBER: 303 910-9525 Ext	9. FIELD and POOL or WILDCAT: TOHONADLA
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1213 FNL 0238 FWL			COUNTY: SAN JUAN
QTR/QTR, SECTION, TOWNS	HIP, RANGE, MERIDIAN: 01 Township: 42.0S Range: 21.0E Me	eridian: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	ACIDIZE	ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
12/17/2014	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	New Construction
Date of Work Completion:			
	OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
SPUD REPORT Date of Spud:	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	L TEMPORARY ABANDON
_	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
	WILDCAT WELL DETERMINATION	OTHER	OTHER:
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	all pertinent details including dates,	depths, volumes, etc.
			Approved by the
			Une be Dimbier of 4014 Oil, Gas and Mining
			Date:
			By: Basylll
			13
NAME (PLEASE PRINT)	PHONE NUM	BER TITLE	
Racheal Dahozy	928-871-4880	Regulatory Analyst	
SIGNATURE N/A		DATE 12/2/2014	

Sundry Number: 58434 API Well Number: 43037500330000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43037500330000

API: 43037500330000 Well Name: TOHONADLA 1-Delta

Location: 1213 FNL 0238 FWL QTR NWNW SEC 01 TWNP 420S RNG 210E MER S

Company Permit Issued to: NNOGC EXPLORATION & PRODUCTION, LLC

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• Is bonding still in place, which covers this proposed well? Yes No
nature: Racheal Dahozy Date: 12/2/2014

Sig

Title: Regulatory Analyst Representing: NNOGC EXPLORATION & PRODUCTION, LLC



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 24, 2015

Navajo Nation Oil & Gas Co. P.O. Box 4439 Window Rock, AZ 86515

Re: APDs Rescinded for Navajo Nation Oil & Gas Co, San Juan County

Ladies and Gentlemen:

Enclosed find the list of APDs that is being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded as of December 24, 2015.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc:

Well File

Bureau of Land Management, Monticello



43-037-50027	TOHONADLA 2-G
43-037-50028	TOHONADLA 2-B
43-037-50029	TOHONADLA 1-C
43-037-50030	TOHONADLA 2-BRAVO
43-037-50031	TOHONADLA 1-F
43-037-50032	TOHONADLA 2-H
43-037-50033	TOHONADLA 1-Delta
43-037-50034	TOHONADLA 35-INDIGO
43-037-50035	TOHONADLA 35-J